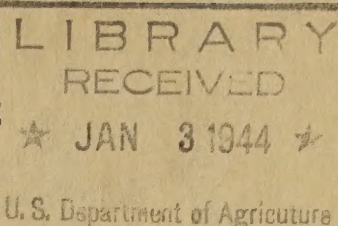


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UNITED STATES DEPARTMENT OF AGRICULTURE
SURPLUS MARKETING ADMINISTRATION



FOOD STAMP PLAN REGULATIONS

Under the authority given to the Secretary of Agriculture by law, I, Claude R. Wickard, Secretary of Agriculture, make, publish, and give public notice of the following regulations, to be in effect until changed or replaced by the Secretary of Agriculture.

ARTICLE I.—DEFINITIONS

SECTION 100.—When used in these regulations or in any other form or document in connection with the Food Stamp Plan the following words or terms shall have the meaning shown below:

- (a) "Secretary" means the Secretary of Agriculture of the United States of America.
- (b) "Administration" means the Surplus Marketing Administration, United States Department of Agriculture.
- (c) "Administrator" means the Administrator, the Assistant Administrator, or the Chief of the Distribution Division, of the Surplus Marketing Administration.
- (d) "Retail food store" means a merchandising establishment or an established trade route from which a retail merchant carries on the business of selling food to consumers.
- (e) "Food" means any commodity or product sold in retail food stores to be eaten by persons, but shall not include:
 - (1) any such commodity or product which is eaten in the store;
 - (2) soft drinks, such as ginger ale, root beer, sarsaparilla, pop, artificial mineral waters (carbonated or not carbonated), or other carbonated waters or beverages;
 - (3) wines, liquors, beers, or other alcoholic beverages;
 - (4) tobacco in any form.
- (f) "Surplus food" means food grown and processed in the United States which is found by the Secretary to be surplus, and which is listed on Surplus Commodities Bulletins published and distributed by the Surplus Marketing Administration.
- (g) "Orange stamps" means orange-colored food order stamps in denominations of twenty-five cents (25¢) each.
- (h) "Blue stamps" means blue-colored surplus food order stamps in denominations of twenty-five cents (25¢) each.
- (i) "Food stamps" means either orange or blue stamps or both.
- (j) "Federal Surplus Commodities Corporation," "F. S. C. C.," or "Corporation" shall be construed to mean the Surplus Marketing Administration.

ARTICLE II.—USE OF FOOD STAMPS

SECTION 200. *Eligibility to Accept Food Stamps.*—Food stamps may be accepted for food or surplus food in any retail food store which has filed an acceptable Retailer's Statement Form when required to do so by the Surplus Marketing Administration.

SECTION 201. *Identification of Food Stamp User.*—Food stamps must be used by the person to whom issued, or his agent. The name of the person to whom the stamps have been issued must be signed on the inside of the stamp book cover and be the same as the name signed on the person's stamp plan identification card, or there must appear on the stamps the same number as appears on the person's stamp plan identification card.

SECTION 202. *Food Which May Be Exchanged for Orange Stamps.*—Orange stamps may be accepted for any food, including surplus foods.

SECTION 203. *Food Which May Be Exchanged for Blue Stamps.*—Blue stamps may be accepted only for any surplus foods listed on Surplus Commodities Bulletins currently in effect. Surplus Commodities Bulletins will be issued by the Surplus Marketing Administration from time to time and distributed to all retail food stores accepting food stamps.

SECTION 204. *Use of Food Purchased.*—Food stamps may not be used for food to be eaten in a retail food store. Food delivered to any person for food stamps shall be eaten by the person to whom the food stamps were originally issued and his family.

SECTION 205. *Loose Stamps.*—No food stamps may be accepted by any retail food store owner or employee except at the time the food is delivered, unless the retailer is engaged in house-to-house delivery of milk or bakery foods. No stamps may be accepted unless the food stamps are torn from the stamp book in the presence of the retailer or his employee, or there appears on each food stamp the same number which is on the customer's stamp plan identification card.

SECTION 206. *Making Change.*—No change in cash may be given for orange or blue stamps. Instead of giving change in cash, a credit slip may be given to the stamp customer for the unused part of a food stamp. This credit slip must show: (1) amount due, (2) color of stamp for which credit is due, and (3) name of retail store. Credit slips must be used by the persons to whom issued. Blue stamp credit slips can be accepted for surplus food only. Orange stamp credit slips can be accepted for food.

SECTION 207. *Improper Acceptance of Stamps.*—Food stamps may not be accepted in payment for any debts or as a deposit for the future delivery of food or surplus food.

SECTION 208. *Other Misuse of Stamps.*—No retail food store owner or employee may loan to any person money to be used to buy food stamps. Food stamps shall not be sold, transferred, assigned, or negotiated, or used for any purpose or to effect any arrangement, agreement, scheme, or device contrary to these regulations.

SECTION 209. *Taxation.*—The exchange of surplus food for blue stamps is not subject to any tax on retail sales, and no payment will be made by the Surplus Marketing Administration on claims supported by food stamps where the retail food store, because of a retail sales tax, has delivered food of an actual value of less than twenty-five cents (25¢) for each blue food stamp or has otherwise passed the tax on to the blue stamp holder.

SECTION 210. *Posting Regulations and Surplus Commodities Bulletins.*—All retailers participating in the Food Stamp Plan must have posted in their store at all times the current official Surplus Commodities Bulletin and a copy of these regulations.

ARTICLE III.—PAYMENT FOR FOOD STAMPS

SECTION 300. *Claims.*—Any retail food store owner may present a claim for the face value of all food stamps accepted in accordance with these regulations. Payment will be made by the Surplus Marketing Administration on any such claim which is properly certified and presented for payment, provided the Administration is satisfied that a proper claim has been made.

SECTION 301. *Collection Agents.*—Wholesalers or banks may act as collection agents for retail food stores in presenting claims for food stamps to the Surplus Marketing Administration.

ARTICLE IV.—COMPLIANCE

SECTION 400. *Action Against Violators.*—Whenever the Administrator determines that any person has violated these regulations, the Administrator may deny such person the privilege of participating in the Food Stamp Plan. The Administrator, or such officer or employee of the Surplus Marketing Administration as the Administrator may designate for the purpose, may suspend payment on any claim or claims of an alleged violator or may deny an alleged violator the privilege of participation in the Food Stamp Plan pending a final determination by the Administrator. In any final determination the Administrator may deny payment on any claim or claims supported by food stamps found to have been obtained in violation of these regulations. In the event the Administrator determines that any person has accepted food stamps in violation of the regulations and has made and presented for payment, or has caused to be made and presented for payment, claims supported by such stamps and that payment has erroneously been made thereon, the Administrator may deduct from any claim or claims supported by food stamps obtained in full compliance with these regulations and presented for payment by such person an amount deemed to be sufficient to offset the amount erroneously paid. The Administrator may take such action as may be deemed necessary to make effective any order of denial or order of suspension.

SECTION 401. *Rules of Procedure and Practice.*—The Administrator may adopt such rules of procedure and practice as he may deem necessary for the purpose of determining violations of these regulations.

SECTION 402. *Criminal Penalties.*—Any person who makes or causes to be made any claim for payment, or presents or causes to be presented any claim for payment, supported by food stamps, knowing such claims to be false, fictitious, or fraudulent, or in violation of these regulations, shall be subject to such fines and punishments as may be provided in the United States Criminal Code.

ARTICLE V.—CONSTRUCTION

SECTION 500. *Administrative Interpretations.*—The Administrator may issue interpretations of any of these regulations, and such interpretations shall have the force and effect of these regulations.

SECTION 501. *Derogation of Rights.*—Nothing contained in these regulations, or in any administrative interpretations thereof, shall be construed to be in derogation or modification of the right of the Secretary, the Surplus Marketing Administration, or the United States to exercise any jurisdiction or power granted by law.



These revised regulations governing the Food Stamp Plan shall supersede all regulations and conditions previously issued by me and shall become effective on May 19, 1941.

